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361 *Viennese Girls, 1914.*

Opposite, on the façade facing the Inner City, still within the extensive grounds of the Burg, lies the solemn and dignified Josefsplatz. No successor to Max Reinhardt has arisen who could transplant this impressive scenery on to a stage—the classic façades of the National Library, the Royal Riding School and the enchanting proscenium of the Pallavicini Palace. Behind high windows is the famous domed hall of Fischer von Erlach, a dream in marble, gold and sunlight, which is considered the most magnificent library of the world. The streets leading from it narrow suddenly, as if unwilling to let one leave the square.

And now let us wander through the Inner City without any special goal, to the hidden beauties which are so easily discovered. There stand mysterious courtyards with covered stairways, cage-like balconies, noble weather-beaten porches dreaming of baroque fantasies beneath spider's web little old houses and shops of the dealers in antiques—a garland of beauty hidden in the heart of an active, bustling and teeming metropolis, a fascinating juxtaposition of yesterday and today.

211 The Plague Column on the Graben was erected by the Emperor Leopold to commemorate the end of the epidemic in 1679. This stone allegory, this bold mixture of realistic and religious ideas, the work of Fischer von Erlach as well as other sculptors, has been compared to a splendid opera.

346 532 Only a few steps behind it, cut off from the lively Graben by a modest little square, is the venerable Peterskirche, full of colour and rich decorations. Rottmayr's frescoes in the interior radiate a golden brilliance which makes an almost

● 366 carnal appeal to the senses. A little further, on the Tuchlauben, the clothmakers used to offer their wares in old Vienna, and one-and-a-half centuries earlier the Roman military lines stood here. Every walk through Vienna can be made a game of question and answer with time and history.

Viennese Girl, 1913.

439 tariffs had increased to 296 per cent of the 1913 level in Bulgaria, to 144 per cent in Yugoslavia, to 140 per cent in Roumania, and to 137 per cent in Czechoslovakia, the Austrian tariffs had actually fallen to 77 per cent of their pre-war level, a fall which, in continental Europe, was surpassed only in Sweden. But it was obvious that this policy could not be permanently maintained in face of high tariffs elsewhere. After the Geneva Conference in 1927 had failed to achieve tangible results with regard to the reduction of trade barriers, Austria too turned towards protectionism to reduce her dependence on a highly unstable world trade. The world preferred to learn the hard way.

361 What of the position of Vienna? When the new Austria, with its 6½ million people, had to take over the economic
631 and administrative centre of a 50-million empire, containing almost 30 per cent of the population of the new Republic, many people thought that this "huge head far too big for a small body" would prove an insoluble economic problem. Actually it soon turned out that the general process of readjustment, described above, also helped to solve this problem. First, it should be noted that while the percentage of the population living in the *capital* was unusually high, the percentage of the *urban* population was quite normal for an industrial country. It was smaller than, for instance, in Great Britain or Switzerland. The establishment of new commercial and government centres did, it is true, hit Vienna badly. The
[464] reduction in the number of civil servants, banking and commercial employees and the unemployment among lawyers, solicitors, etc., created a burden which was mainly concentrated on the capital.

366 But apart from this particular problem which was
368 slowly—all too slowly—mended, it soon became clear that

1 [CA CATEGORY 116, p. 50 --ANALYST]

READJUSTMENT AND CONSOLIDATION

Vienna still had an important economic contribution to make to the country and to the world. Its unique geographic position at Europe's crossroads again attracted a large and growing volume of transit trade which helped to keep the commercial life of the city at a high level. Again, the long-standing knowledge which the Viennese financial institutions had acquired of the Balkan markets gave rise to economic activities and payments from foreign countries which helped to improve the balance of payments. Of still greater importance was the increased activity in the consumer goods and export industries to which Vienna, the main centre of the lighter industries, was particularly well suited. The introduction of a biennial fair made Vienna the main centre of the country's export trade and an important factor in Central and east European trade.

Last, but not least, the economic activities of the Viennese City Council helped considerably to re-establish and stimulate the economic life of the capital.[1] A skilful financial policy had enabled the municipality to avoid a deficit even during the difficult post-war and inflationary years. Now that the position had become easier they embarked on a progressive programme of expenditure on social welfare, educational reform, and—most important from the economic point of view—on an extensive building programme. Building activity had practically come to a standstill during and after the war and the housing shortage was acute. Private building was discouraged by a strict Rent Restriction Act which protected the population from the wild profiteering in rents that would have otherwise occurred. In 1923 the municipality, which had already built 7,259 dwellings between 1919 and 1923, announced that they would build 25,000 new dwellings during the next five years. This was the